

Medical Care Advisory Committee Meeting Agenda

Date: April 19, 2006 **Time:** 1:30 – 4:30 PM. **Location:** IDHW Medicaid Office
3232 Elder St.
D-East Conference Room
Boise, ID 83705 **Moderator:** Robert VandeMerwe, MCAC Chairperson

Goal: *Update MCAC Members on DHW Issues*

Committee Members: Robert VandeMerwe (Idaho Health Care Assoc – Chairperson) Cathy McDougal (AARP), Elke Stava (Hospice Assoc), Emmett Hall (Shoshone-Paiute Tribes of Duck Valley), Vacant (Idaho Assoc of Developmental Disabilities), James (Jim) R. Baugh (Comprehensive Advocacy – CO-AD), Judith Bailey (Idaho Medical Association), Teresa Wolf (Nez Perce County Social Services), Bill Foxcroft (Idaho Primary Care Assoc., Toni Lawson (Idaho Hospital Assoc.), Mike Wilson (Living Independently Forever, Inc. - LIFE), Greg Dickerson (Mental Health Provider’s Assoc.), Vacant (Idaho State Pharmacy Assoc.) Deedra Hunt (Idaho Office on Aging- Vice-Chairperson), Senator Richard Compton (Idaho State Senate), Kristyn Herbert (Representative for Medicaid Recipients), Mark Leeper (SILC), Representative Sharon Block (Idaho House of Representatives), Rep. (Dr.) John Rusche (Board of Certified Physicians), **DHW Staff;** Dick Schultz (Administrator IDHW Division of Health), Leslie Clement (Deputy Administrator IDHW Division of Medicaid, and Shannon Winget (Medicaid Administration)

| Agenda Item | Presenter | Outcome/Action |
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| Introductions - Welcome members. | Robert VandeMerwe | Robert opened the meeting by welcoming our new members, Mike, Kristyn, and Toni. |
| Committee Business Provide brief program updates by members. | Robert VandeMerwe | Information Sharing – regarding member legislation this session <ul style="list-style-type: none">• Robert – He is anxious to see what happens with Medicaid Reform.• Mark – He is happy about the Medicaid buy-in and is interested to see what happens with Self-Determination. He said it was a good year at the legislature.• Greg – He talked about the HB190 rules getting rejected. His association was opposed to the rules. They supported the credentialing rules and are interested in watching what happens with Medicaid Simplification.• Susan – They are just watching Medicaid Reform right now.• Toni – They have great interest in the Medicaid Reform Legislation and have been following it closely.• Bill – Have been watching Medicaid Reform and is pleased with the way it’s moving along. Terry Riley Health Clinic got a large appropriation to start a new health clinic in Caldwell and they are very excited about that.• Mike – They were also opposed to HB190. Is interested in the comprehensive re-write of the DD rules.• Rep. Rusche – This was a big year for property tax, health care and health insurance costs for low income people, health care and IT quality commission, mental health, and health care cost system change. It was an incredible year for change in the health care systems in Idaho. |
| Medicaid Status Report/2006 Legislative Summary | Leslie Clement | See attached MCAC Status Report for more detail. |

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| MMA – Part D Update | Randy May | Open enrollment ends May 1. There are 193,000 Medicare eligibles and to date 85% have signed up. Have been receiving a lot of calls. 211 has been very helpful in helping direct people. |
| MMIS | Patti Campbell | We are starting the RFP process over. We are looking to take a modular approach releasing a new RFP's sometime in the fall. The purpose of doing this RFP is our contract with EDS is set to expire the end of this year and we have already extended it to 2007. We are targeting 2009 for switching over to the new MMIS Aim replacement system. |
| Review of Medicaid Reform Legislation | Kate VandenBroek | We have 100% success rate with our Modernizing Medicaid legislation. Kate briefly described the legislation that passed this session around Modernizing Medicaid. Please see attached. |
| Next Steps of Reform | Leslie Clement/ Kate VandenBroek | Leslie went through the implementation schedule. See attached implementation schedule for more detail. We will re-write chapters to coincide with the Basic Plan and the Enhanced Plan. New plans will take effect July 1, 2006. |
| Roundtable Recommendations Discussion | All | <p>It was recommended that Medicaid pursue some of the grants identified in the Deficit Reduction Act. It was also recommended that Medicaid staff bring issues to the MCAC with proposals that the committee can validate. The objective would be to strengthen the committee's advisory role.</p> <p>It was decided we would have our next MCAC meeting July 26th due to conflicts on July 19.</p> |

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| <p style="text-align: center;">MEDICAID DIVISION STATUS REPORT April 2006</p> |
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ADMINISTRATIVE RULES

Details relating to negotiated rule making, public hearings, comment periods, and rule text can be located at Idaho's Administrative Services web site: <http://www2.state.id.us/adm/adminrules/bulletin/mstrtoc.htm>

Approved by the 2006 Legislature

- **Docket: 16.0309.0502 - Adds additional level of reimbursement for Personal Care Services**
Add an additional Level of Care which reflects minimum resources needed for providing services to individuals with specific behavioral needs of 12.5 hours per week of personal care services based on documented diagnosis of mental illness, mental retardation, or Alzheimer's disease. The 4 Levels of Care will be called "Reimbursement Levels" to avoid confusion with use of the term by other Medicaid programs. Rule was approved as temporary by 2005 Legislature.
- **Dockets: 16.0319.0501 and 16.0319.0502 - Repeals and Re-writes chapter on Certified Family Homes**
The 2005 Legislature passed HB 265aa which amended statute governing the licensed residential or assisted living facilities. With these statute changes the rules need to be rewritten to address the changes. The statutes governing Certified Family Homes are in Chapter 35, Title 39, Idaho Code.
- **Dockets: 16.0322.0501 and 16.0322.0502 - Repeals and Re-writes chapter on Residential or Assisted Living Facilities**
The 2005 Legislature passed HB 265aa which amended statute governing the licensed residential or assisted living facilities. With these statute changes the rules need to be rewritten to address the changes. The statutes governing Residential or Assisted Living Facilities are in Chapter 33, Title 39, Idaho Code.
- **Docket 16.0316.0501 - Adult Health Insurance program**
Compliance with Idaho Code 56-241 & 56-242 which directs the Department to implement a premium assistance program for 1000 adults who are either employees or spouses of employees working in an Idaho small business of 2-50 employees.

Extended by the 2006 Legislature

- **Docket: 16.0309.0506 - Investigational/experimental procedures**
Identifies how coverage decisions are made related to investigational and experimental medical procedures. These rules clarify issues regarding legislator's concerns raised in the 2005 Legislative Session and are in compliance with statute changes made last year.
- **Docket 16.0309.0601 – Provider Credentialing**
These rules are needed to establish a program that credentials mental health agencies to assure Mental Health Clinics and Psychosocial Rehabilitation providers meet minimal quality standards, utilize qualified providers, and have services that meet the needs of Medicaid participants.

Rejected by the 2006 Legislature

- **Docket:16.0309.0503 – Methodology for reviewing rates and compiling a report**

These rules reflect the changes adopted by the 2005 Legislature under HB 190 to Title 56, Chapter 118, Idaho Code, regarding the implementation of a methodology for reviewing Medicaid reimbursement rates, participant access to services, and compiling a report for the department and the legislature.

For Consideration by the 2007 Legislature

- **Docket: 16.0309.0505 – Self-Determination** (Published in April)

The 2005 Legislature approved House Concurrent Resolution 12, encouraging the Department to apply a federal waiver in order to impact a new service model referred to as self-determination. The new services and supports model will first be offered to individuals receiving services through Medicaid's Developmental Disabilities waiver. Rules are needed to identify the distinct characteristics of the model. (temporary)

- **Docket 16.0309.0602 – Medicaid Transportation & Wrap Around Drug Coverage – Medicare Part D**

These rules are needed because of the new Medicare prescription drug benefit that impacted the benefits provided by Idaho Medicaid to dual-eligible participants. (temporary/proposed)

- **Docket 16.0322.0601 – RCALF – Fire Suppression Sprinklers – Grandfather Clause; Administrative Clean-up**

These rules fulfill a commitment that was made during the 2006 Legislative review process. The rules add a grandfather clause to that section of the rule requiring fire-suppression sprinklers for certain facilities accepting residents incapable of self evacuation. (temporary/proposed)

MEDICAID 2005 STATE PLAN AMENDMENTS

TITLE XIX

- 05-001 Amends language for floor percentage for hospitals with 40 beds or less. In the process of responding to CMS' Request for Further Information. **Approved**
- 05-002 Tribal providers. Establishes certification standards for health professionals providing substance abuse services in Indian Health Facilities. Amendment was **withdrawn** – determined not to be necessary as state has existing authority.
- 05-003 Annual Cost of Living Adjustment State Plan Amendment – adjusts the State's annual income limits for the aged and disabled resulting from the January 2005 cost of living adjustment. **Approved**
- 05-004 Amends the State Plan limits for partial care services from 56 hours per week to 36 hours per week. **Approved**
- 05-005 Amends the State Plan to include the low income subsidy requirements of the Medicare Modernization Act of 2003. **Approved**
- 05-007 Allows Medicaid to pay the lesser of the Medicaid allowed amount minus the Medicare payment or the Medicare co-insurance and deductible amounts added together for professional Medicare crossover claims. **Approved**
- 05-008 Medicare as an eligibility requirement for Medicaid dually eligibles. **Pending**
- 05-009 Medicare Modernization implementation. Allows transportation coverage for dual eligibles to obtain their Medicare-covered prescriptions. **Approved**

TITLE XXI

- 05-006 Amends the title XXI State Plan to remove the enrollment cap on the CHIP-B program which is necessary to attain CMS approval of the HIFA Waiver amendment implementing the Access to Health Insurance program. The language referring to a penalty for delinquent CHIP-B payments was revised to reflect the change in the rules that were accepted by the legislature last session. **Approved**

MEDICAID 2006 STATE PLAN AMENDMENTS

TITLE XIX

- 06-001 Medicare Modernization implementation. Describes wrap around drug coverage for dual eligibles. **Pending**
- 06-002 Medicare Claims for Psychiatric Services billed under Medicare Part B that cross over to Medicaid. **Not yet submitted**
- 06-003 Partnership Legislation. This allows persons to purchase long-term care insurance and be able to protect their assets. **Not yet submitted**
- 06-004 Cost of Living/Poverty Guidelines. This amendment transmits the Medicaid income limit changes for the aged and disabled resulting from the January 2006 cost-of-living adjustment. **Pending**
- 06-005 Supportive Counseling in a DDA. This adds new service coverage type. **Not yet submitted**
- 06-006 Addition of TOPS Program. This is a multi-state purchasing pool for pharmaceutical supplemental rebates. **Not yet submitted**

WAIVERS

NEW

- **1115 Demonstration Waiver – Hurricane Katrina**

Effective retroactively to August 24, 2005, States will be allowed to provide Medicaid and SCHIP coverage to a new demonstration population of evacuees consisting of parents, pregnant women, children under age 19, individuals with disabilities, low income Medicare recipients, and low income individuals in need of long term care with incomes up to and including the levels listed on the attached simplified eligibility chart. Host States may also provide Medicaid and SCHIP coverage to evacuees using eligibility determinations based on eligibility levels in the Home State of an evacuee. **Approved**

AMENDMENTS

- **Developmental Disability Waiver**

Revises to add self-determination option. **Pending**

STATUTES

Department Estate Recovery Bills – S1318

Withdrawn and replaced by TEPI Legislation S1318

Title 39, Chapter 56 – S1339

This proposal is to amend current Idaho Code §39-5603 which requires personal care services shall be ordered by a physician. The federal regulations, 42 CFR 440.167, no longer require a physician order for this service if at the State's option the service is otherwise authorized for the individual in accordance with a service plan approved by the State. This removes an unnecessary step in the authorization process for personal care services.

Title 9, Section 340B and Title 9, Chapter 13 – S1338

During the 2005 Legislative session Idaho Code §39-3556 was inadvertently repealed as part of the repeal and re-write of the Certified Family home Chapter. This section of code protected the identity of an individual filing a complaint against a Certified Family home with the certifying agency.

**Modernizing Medicaid
Status Summary as of 4/12/06**

Legislation:

All Medicaid reform statutes and concurrent resolutions have been passed by the 2006 Legislature:

- H 776 Medicaid Simplification Act (three plans)
- H 663a Personal Responsibility Act (personal health accounts and cost sharing)
- H 877 Caregiver Support (benefit)
- HCR 51 Selective Contracting (administrative service contracts)
- HCR 53 Medicare Enrollment as condition of Medicaid eligibility
- HCR 49 Medicaid/Medicare Rx Coordination (contract)
- HCR 48 Appropriate Mental Health Benefits
- HCR 50a Premiums
- HCR 52 Long-term care counseling (staffing and operations funding)

In addition, the following bills are consistent with Medicaid reform and/or were supported by the Department:

- H 644 Medicaid for Workers with Disabilities
- S 1318 Estate Recovery Enhancement
- S 1417 Premium Assistance/Access Card changes
- H 738a Health Quality Planning Commission

Implementation Schedule

- ◆ Federal Authorization of three State Plans under 1115 Waiver anticipated May 2006
- ◆ Draft Temporary rules (target publishing date July-Sept)
 - ◆ Eligibility Rules (Health Care Assistance for Families & Children & Aid to the Aged, Blind and Disabled)
 - ◆ Benefits Rules (Medical Assistance)
 - ◆ CHIP B & Access Card Rules repeal and combine with Access to Health Ins. Rules
 - ◆ Reimbursement Rules (Medical Assistance and Provider Reimbursement)
- ◆ Operational Plan
 - ◆ Maintain existing application (multiple use form for DHW services)
 - ◆ Eligibility for children is without asset testing
 - ◆ All plan enrollees carry Medicaid Card except those who elect Premium Assistance
 - ◆ July 1st – benefits reflect Simplification Act with three plans
 - ◆ July 1st – new applicants receive Health Screening Questionnaire and packet of information that allows them to select their PCP. Upon determination of eligibility, new enrollees go to their selected doctor for a physical exam and a Health Risk Assessment is completed. The Health Risk Assessment identifies health status and new enrollee is informed on their Plan assignment.
 - ◆ July 1st – existing enrollees will convert to the newly designed plans at their annual renewal date (renewal is every 12 mos. for children in all cases and every 12 mos. for adults unless there has been a change in their financial or health status).
 - ◆ July 1st – appropriate mental health benefits will be available to enrollees based on needs. For children and adults who have serious mental illness (serious emotional disturbance), they will have access to the full array of mental health services according to their needs. For individuals of average health, they will have access to a benefit package of 26 hours of mental health services/year.
 - ◆ July – Dec. public comment on rules, negotiation, and rule amendments resulting in proposed rule dockets ready for the 2007 legislature's review.
 - ◆ Sept – Dec. Timeframe – selective contracting initiated for dental, incontinent supplies and transportation
 - ◆ Oct – Dec. timeframe – Health Accounts will be established for the use of tobacco cessation and weight loss. All Plan enrollees have access to the Health Accounts for these two purposes. Individuals in the Basic Plan who are >133%, can earn credits for keeping immunizations up-to-date and maintaining their schedule of well child check-ups. (\$30 loaded into their accounts on a quarterly basis). The health Accounts can be used to pay premiums and other preventative services.
 - ◆ Oct – Dec. Timeframe – In conjunction with Health Accounts, premium payments will be operationalized. The current legislation does not include family caps on premiums. Individuals can receive assistance with premium payments through their health accounts.
 - ◆ Jan – March timeframe – Implementation of co-payments (inappropriate use of services and tiered pharmacy co-pays)